

**Resolution of the Board of Education of the
Beverly Hills Unified School District**

Resolution No. 2017-2018-046

Confirming the District's Commitment to Fiscal Solvency

WHEREAS, school district governing boards have the obligation to provide a quality education that is essential for an informed citizenry, a competitive economy, a fulfilling life for all students, and the foundation of our democratic society; and

WHEREAS, school district governing boards are responsible for maintaining fiscal solvency of the school systems they govern; and

WHEREAS, school district reserve levels, as well as their fund balances, are determined by governing boards to meet local priorities and allow districts to save for unknown future costs and unexpected expenditures, and for eventual economic downturns; and

WHEREAS, prudent budgeting requires school districts to establish and maintain reserves above the statutory minimum; and

WHEREAS, the District is in the midst of contract negotiations with our bargaining partners; and

WHEREAS, the Board of Education has been advised of the risk to providing a salary increase above district's current funding capacity and is willing to assume the risk in order to maintain competitive salaries and benefits for all staff; and

WHEREAS, the Board of Education recognizes that STRS and PERS rates will continue to rise each year, reaching a level of 19.1% in 2020-21 and that PERS rates will also continue to rise each year to a staggering 27.3% in 2024-25; and

WHEREAS, the Board of Education recognizes that the current multi-year projection indicates that the District will need to identify expenditure reductions and/or revenue enhancements for each of the coming three school years and additionally, the Board of Education recognizes that this projection may increase or decrease depending on final State revenue allocations or any other changes to the multi-year assumptions, prior year ending fund balance, etc.; and

WHEREAS, the Board of Education accepts the recommendation of the Superintendent to implement the following fiscal stabilization options:

1. Reconfiguration of K-8 school (subject to Construction funding & timeline)

Estimated savings - \$4.0 million

2. High School Master Schedule Overhaul -Est. savings \$500,000
3. Eighth Grade High School Enrollment in January - (Staffing efficiency)
4. Continuation to Pre-Fund OPEB obligation at 2% or Payroll
5. Commitment to Digital Alternatives in Instructional Material
6. Improved Budget Management & Monitoring
7. Continued Negotiations with Bargaining Unit e.g., Salaries & Benefits
8. Retain a Profession Tax Consultant – Improved Revenue Estimations

NOW THEREFORE BE IT RESOLVED that in order to ensure that Beverly Hills Unified School District remains fiscally solvent, the Beverly Hills Board of Education is committed to reduce expenditures in all budget areas including, certificated salaries, classified salaries, employee benefits, professional services, maintenance and operations expenses, capital outlay, other outgoing and other financing sources by reconfiguring its TK-8 grade level sites, and will identify all budget reductions necessary for reconfiguration and will take board action to approve those reductions upon completion of construction at El Rodeo School.

NOW THEREFORE BE IT ADDITIONALLY RESOLVED that the Board of Education is committed to explore any and options to increase revenues including, but not limited to, local, state, federal grants and local parcel tax may be used to offset the expenditure reductions otherwise required.

PASSED AND ADOPTED by the Governing Board of the Beverly Hills Unified School District on the _____ day of June _____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

Clerk of the Board of Trustees
Beverly Hills Unified School District
Los Angeles County, California